savings association may include the eligible HQLA of the consolidated subsidiary organized under the laws of a foreign jurisdiction in its HQLA amount up to:

(i) The amount of net cash outflows of the consolidated subsidiary as of the 30th calendar day after the calculation date, as calculated by the national bank or Federal savings association for the national bank's or Federal savings association's minimum liquidity standard under this part; *plus*

(ii) Any additional amount of assets that are available for transfer to the top-tier national bank or Federal savings association during times of stress without statutory, regulatory, contractual, or supervisory restrictions;

(5) The national bank or Federal savings association must not include as eligible HQLA any assets, or HQLA resulting from transactions involving an asset that the national bank or Federal savings association received with rehypothecation rights, if the counterparty that provided the asset or the beneficial owner of the asset has a contractual right to withdraw the assets without an obligation to pay more than de minimis remuneration at any time during the 30 calendar days following the calculation date; and

(6) The national bank or Federal savings association has not designated the assets to cover operational costs.

(c) *Maintenance of U.S. eligible HQLA.* A national bank or Federal savings association is generally expected to maintain as eligible HQLA an amount and type of eligible HQLA in the United States that is sufficient to meet its total net cash outflow amount in the United States under subpart D of this part.

Subpart D—Total Net Cash Outflow

§ 50.30 Total net cash outflow amount.

(a) *Calculation of total net cash outflow amount.* As of the calculation date, a national bank's or Federal savings association's total net cash outflow amount equals:

(1) The sum of the outflow amounts calculated under § 50.32(a) through (l); *minus*

(2) The lesser of:

(i) The sum of the inflow amounts calculated under § 50.33(b) through (g); and

(ii) 75 percent of the amount calculated under paragraph (a)(1) of this section; *plus*

(3) The maturity mismatch add-on as calculated under paragraph (b) of this section.

(b) *Calculation of maturity mismatch add-on.* (1) For purposes of this section:

(i) The net cumulative maturity outflow amount for any of the 30 calendar days following the calculation date is equal to the sum of the outflow amounts for instruments or transactions identified in § 50.32(g), (h)(1), (h)(2), (h)(5), (j), (k), and (l) that have a maturity date prior to or on that calendar day *minus* the sum of the inflow amounts for instruments or transactions identified in § 50.33(c), (d), (e), and (f) that have a maturity date prior to or on that calendar day.

(ii) The net day 30 cumulative maturity outflow amount is equal to, as of the 30th day following the calculation date, the sum of the outflow amounts for instruments or transactions identified in § 50.32(g), (h)(1), (h)(2), (h)(5), (j), (k), and (l) that have a maturity date 30 calendar days or less from the calculation date *minus* the sum of the inflow amounts for instruments or transactions identified in § 50.33(c), (d), (e), and (f) that have a maturity date 30 calendar days or less from the calculation date.

(2) As of the calculation date, a national bank's or Federal savings association's maturity mismatch add-on is equal to:

(i) The greater of:

(A) 0; and

(B) The largest net cumulative maturity outflow amount as calculated under paragraph (b)(1)(i) of this section for any of the 30 calendar days following the calculation date; *minus*

(ii) The greater of:

(A) 0; and

(B) The net day 30 cumulative maturity outflow amount as calculated under paragraph (b)(1)(ii) of this section.

(3) Other than the transactions identified in § 50.32(h)(2), (h)(5), or (j) or § 50.33(d) or (f), the maturity of which is

determined under § 50.31(a), transactions that have no maturity date are not included in the calculation of the maturity mismatch add-on.

§ 50.31 Determining maturity.

(a) For purposes of calculating its liquidity coverage ratio and the components thereof under this subpart, a national bank or Federal savings association shall assume an asset or transaction matures:

(1) With respect to an instrument or transaction subject to § 50.32, on the earliest possible contractual maturity date or the earliest possible date the transaction could occur, taking into account any option that could accelerate the maturity date or the date of the transaction as follows:

(i) If an investor or funds provider has an option that would reduce the maturity, the national bank or Federal savings association must assume that the investor or funds provider will exercise the option at the earliest possible date;

(ii) If an investor or funds provider has an option that would extend the maturity, the national bank or Federal savings association must assume that the investor or funds provider will not exercise the option to extend the maturity;

(iii) If the national bank or Federal savings association has an option that would reduce the maturity of an obligation, the national bank or Federal savings association must assume that the national bank or Federal savings association will exercise the option at the earliest possible date, except if either of the following criteria are satisfied, in which case the maturity of the obligation for purposes of this part will be the original maturity date at issuance:

(A) The original maturity of the obligation is greater than one year and the option does not go into effect for a period of 180 days following the issuance of the instrument; or

(B) The counterparty is a sovereign entity, a U.S. government-sponsored enterprise, or a public sector entity.

(iv) If the national bank or Federal savings association has an option that would extend the maturity of an obligation it issued, the national bank or Federal savings association must assume the national bank or Federal savings association will not exercise that option to extend the maturity; and

(v) If an option is subject to a contractually defined notice period, the national bank or Federal savings association must determine the earliest possible contractual maturity date regardless of the notice period.

(2) With respect to an instrument or transaction subject to § 50.33, on the latest possible contractual maturity date or the latest possible date the transaction could occur, taking into account any option that could extend the maturity date or the date of the transaction as follows:

(i) If the borrower has an option that would extend the maturity, the national bank or Federal savings association must assume that the borrower will exercise the option to extend the maturity to the latest possible date;

(ii) If the borrower has an option that would reduce the maturity, the national bank or Federal savings association must assume that the borrower will not exercise the option to reduce the maturity;

(iii) If the national bank or Federal savings association has an option that would reduce the maturity of an instrument or transaction, the national bank or Federal savings association must assume the national bank or Federal savings association will not exercise the option to reduce the maturity;

(iv) If the national bank or Federal savings association has an option that would extend the maturity of an instrument or transaction, the national bank or Federal savings association must assume the national bank or Federal savings association will exercise the option to extend the maturity to the latest possible date; and

(v) If an option is subject to a contractually defined notice period, the national bank or Federal savings association must determine the latest possible contractual maturity date based on the borrower using the entire notice period.

(3) With respect to a transaction subject to § 50.33(f)(1)(iii) through (vii) (secured lending transactions) or § 50.33(f)(2)(ii) through (x) (asset exchanges), to the extent the transaction